US EXECUTIVE APPROVAL FORM

CUSTOMER NAME: Toys R Us, Inc.

SECTION I - Approval Requests:

HQAPP Requests:

1. Requesting approval for all items on Q2 deal. Only thing that has changed is the discount and price hold has increased from from 58% to 68%

Previously approved requests (include date of approval):

Request #1 – 8/5/02

1. License metric change and 50% discount for quote: August 5, 2002
2. Internet Procurement license metric changed from order line to to $1,250 per Application User with a 50% discount @ 3000 App Users. Requesting same metric, but at 58% discount for 2300 App Users.

Request #2 11/14/02

1. 58% discount on applications. 53% positioned with customer
2. 58% price hold on selected applications and technology for 2 years. 53% positioned with customer
3. 3 year support flatline, cap until year 5 (HQAPP is the cap now 4%?)

SECTION II – Deal Summary:

Deal Summary	
Programs	Applications: Purchasing, iProcurement, iSupplier Portal, Sourcing
License Discount	58 % (ebiz + 33%) (now 68%)
Support Discount	58 % (ebiz + 33%) (now 68%)
Comp & Admin Discount	N/A
Phased Implementation for Comp & Admin?	.
Support Options/Holds	3 year support flatline, 5% cap yrs 4-5
Price Holds	2 year price hold @ 58% (now 68%) for the following Applications: Purchasing, iProcurement, Sourcing, iSupplier Portal, Enterprise Asset Management, Project Costing, Project Billing, Balanced Scorecard, OFA. Technology: Discover, Server EE, Apps Server EE
List License	$3,448,750 (now $3.57M)
List Support	$ 758,725 (now $785k)
List Comp & Admin	N/A
Net License	$1,448,475 (now $1.14M)
Net Support	$318,665 (now $251k)
Net Comp & Admin	N/A
Net Total Price	$1,767,140 (now $1.39M)
Price List Used	Nov 7, 2002 (IProcurement and Purch Intell license metrics changed to Application User @$1,250 & $2,995 respectively as per 8/5/2002 HQ Approval)
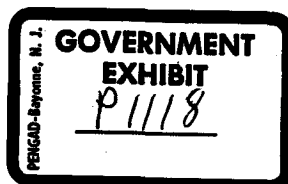
Customer History - Existing Price Holds	
Existing contractual discount (price hold)	None
Date of Price List for price hold	
When does price hold expire?	
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	
Name of Agreement if applicable	

SECTION III - Justification:

1. Oracle is in a tight competitive battle with Ariba and Peoplesoft. Customer indicated a decision will be made near November month end. As per multiple contacts at Toys R Us, our competitors have been "aggressive" with their pricing.
2. Competition is proposing both concurrent and "enterprise" license metrics to Toys R Us which are appealing to IT management since it provides a simplified metric.
3. Purchasing VP has requested best and final pricing from Oracle in anticipation of decision. Additional discount needed for last minute negotiation leverage and possible buy down of OFD rate.
4. Price holds will allow customer to buy what they need now and expand as usage grows. This is appealing to customer.
5. Price comparisons obtain from other retail deals to help determine target.
6. Customer has stated support pricing is not competitive with competition (i.e. Peoplesoft at 16% of net). Flat line support is request to address this objective.

Recommendation: Our price is still higher than Ariba. Approve.

Submitted By: *Pope, Block*

R: 12/10/02
C: 12/10/02
L: 12/10/02
A: 12/10/02
BP: BL

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